

FISCAL NOTE

Bill #: SB0185

Title: Prohibit clearinghouse sweepstakes fraud

Sponsor: Chris Christiaens

Status: As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
General Fund	\$35,599	\$35,691
State Special Revenue	43,094	33,232
Revenue:	\$0	\$0
Net Impact on General Fund Balance:	(\$35,599)	(\$35,691)

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

1. The work necessary to implement the provisions of this bill will primarily be investigative and legal in nature.
2. The additional workload will require an additional 0.50 FTE attorney (grade 18 – cost of \$21,857/year) and an additional 1.00 FTE investigator (grade 16 – cost of \$37,066/year) for a total of 1.50 FTE. Due to the effective date of the bill (10/1), only 75% or 1.13 FTE and related personal services costs are requested in FY 2000.
One time operating costs of \$5500 are needed in FY 2000 for office furniture and personal computers (2,750 x 2 people = 5,500). The two FTE will be traveling extensively. Computer network charges, travel, phone, etc. are estimated at approximately \$5,000 per employee (5,000 x 2 = 10,000). Total

(continued)

operating costs are \$15,500 in FY 2000 and \$10,000 in FY 2001. Finally, a vehicle will need to be purchased for the investigator at a cost of \$19,000 in FY 2000 only.

3. There is no impact on revenue.
4. In line with the existing and proposed funding structure, 100% of the cost for the attorney and 21% of the cost for the investigator will be covered by the state general fund. Seventy-nine percent (79%) of the cost for the investigator will be covered by the gambling state special revenue fund.

FISCAL IMPACT:

	FY2000 <u>Difference</u>	FY2001 <u>Difference</u>
FTE	1.13	1.50
<u>Expenditures:</u>		
Personal Services	\$44,193	\$58,923
Operating Expenses	15,500	10,000
Equipment	<u>19,000</u>	<u>\$0</u>
TOTAL	78,693	68,923
<u>Funding:</u>		
General Fund (01)	\$35,599	\$35,691
State Special Revenue (02)	<u>43,094</u>	<u>33,232</u>
TOTAL	78,693	68,923
<u>Revenues:</u>	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	(\$35,599)	(\$35,691)
State Special Revenue (02)	(43,094)	(33,232)

LONG-RANGE IMPACTS:

Increase in legal and investigative resources devoted to gambling regulation. There is no corresponding increase in revenue and the account balance may be insufficient.

TECHNICAL NOTES:

Persons residing in this state will no longer be able to participate in sweepstakes activities of any kind. National and local sweepstakes promoters will no longer be able to offer or solicit participation from Montana residents.